FACTS ON FILE
WORLD NEWS DIGEST WITH INDEX
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Week in Headlines

International

UN approved admission of 16 new member nations.
Soviet leaders joined Nehru in declaration on peace aims, trade agreement at end of Indian tour.
Dulles warned of Red drive to win world's underprivileged areas.
41 Syrians reported killed in raid by Israeli forces.
Gaitskell succeeded Attlee as British Labor Party leader.
Otto John fled East Germany.

United States

Doctors ordered letup in pace of President's activities.
Stevenson announced plans to enter 4 more Democratic primaries.
Ford Foundation gave $500 million to private colleges, hospitals.
Cotton farmers voted for 3d successive year for Govt. controls.
Senate probers ended month-long hearings on GM operations.

WORLD AFFAIRS

UNITED NATIONS

16 Get UN Membership

4 Communist & 12 non-Communist countries became UN members Dec. 14, when the Security Council & Gen. Assembly in New York swiftly adopted a compromise "package plan" introduced by the USSR after the defeat Dec. 13 of an 18-nation plan that had been discussed for several weeks. UN membership rose to 76 with admission of the 16.

The original Canadian-sponsored plan was wrecked in the Security Council Dec. 13, when Natl. Chinese delegate Dr. Tingfu F. Tsiang carried out threats to veto Communist Outer Mongolia, despite pleas from the U. S. & other non-Communist countries. Tsiang's veto (China's first) was followed by vetoes of the 13 non-Communist applicants by Soviet delegate Arkady A. Sobolev, who had supported the Canadian proposal on an "18 or nothing" basis.

Outer Mongolia & Japan were applicants invo'ved in the 18-nation plan who were not included in the 16-nation group actually admitted. An American attempt to add Japan to the 16-nation group Dec. 14, excluding only Outer Mongolia, was vetoed by Russia.

The 16 new members approved Dec. 14 were the first to be admitted since Indonesia in 1950. 6 of the new members (Cambodia, Ceylon, Jordan, Laos, Libya, Nepal) participated in the Bandung Conf. [See p. 140B1] Albania, Ireland, Jordan & Portugal, along with Outer Mongolia, had waited for UN membership since 1946, when the U. S. warned that it would veto Albania & Outer Mongolia unless the USSR dropped its objections to the 3 others, with which Russia did not have diplomatic relations.

Plan Similar to Molotov's

The Soviet compromise package adopted Dec. 14 evolved from 6½ months of formal & informal negotiations seeking a compromise on the East-West deadlock over new UN members. The 16-nation plan was the same as one advanced by Soviet Forgn. Min. Vyacheslav M. Molotov in informal talks during the UN's 10th anniversary meeting in San Francisco last June 2 -26, except for the substitution of Spain for Outer Mongolia [see p. 213B1]. In talks in San Francisco with Peruvian delegate Victor A. Belaunde, who headed a special Gen. Assembly membership committee set up in 1954, Molotov first had proposed a 6-nation package, based on "legality," for the entry of Austria, Finland, Italy, Bulgaria, Hungary & Rumania. This was similar to previous Soviet package plans, except for the addition of Austria [see p. 365G2]. Molotov then advanced a 2d plan, based on "politics," under which he added the 10 other nations.

Molotov dropped the 6-nation idea in urging adoption of his 16-nation plan during his opening speech to the Gen. Assembly in New York Sept. 23 [see p. 317E3]. Before returning to Moscow in October, Molotov told Belaunde he would consider a Canadian suggestion that Japan be added to his list and a Latin-American suggestion that Spain be included.

After the U. S. expressed coolness toward Outer Mongolian membership Nov. 13 [see p. 375D1], Soviet Dep. Forgn. Min. Vasily V. Kuznetsov said in New York Nov. 17 that the USSR wou'd veto all Western-sponsored countries if Outer Mongolia were not included in any mass-admission proposal. Meanwhile, the U. S. informed UN delegations that it would not campaign against admission of Outer Mongolia and would abstain in the vote on all 5 Communist applicants.

18-Nation Compromise Favored

A Canadian plan for an 18-nation package (Russia's original 16 plus Japan & Spain) was introduced Dec. 1 in the Gen. Assembly's Special Political Com. The 18-nation package was approved by the committee Dec. 7 & by the Assembly Dec. 8 by votes of 52 to 2 (Natl. China & Cuba opposed; U. S., France, Belgium, Greece, Israel abstaining).

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Vote on New UN Members

Vote totals in the UN Gen. Assembly Dec. 14 in favor of admitting 16 countries as new members (listed in order of application for membership):

	Yes	No*	A.†		Yes	No*	A.†
Albania	48	3	5	Bulgaria	50	2	5
Jordan	55	0	1	Finland	57	0	0
Ireland	56	0	0	Ceylon	57	0	0
Portugal	56	0	0	Nepal	57	0	0
Hungary	49	2	5	Libya	56	0	1
Italy	56	0	0	Cambodia	57	0	0
Austria	56	0	0	Laos	57	0	0
Rumania	49	2	5	Spain	55	0	2

*Vs. Albania—Natl. China, Cuba, Greece; vs. Hungary, Rumania & Bulgaria—Natl. China, Cuba.

†Abstaining on Albania, Hungary, Rumania, Bulgaria—Belgium, Dominican Rep., Netherlands, Philippines, U. S.; on Jordan & Libya—Israel; on Spain—Belgium, Mexico.

Absent: all votes—Haiti, Paraguay, South Africa; first 8 votes—Ethiopia.

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U.S. Appealed to Formosa

Tsiang told the Political Com. Dec. 2 that he opposed the entry of the 5 Communist nations because it amounted to a surrender to Russia's previous "blackmail" use of the UN veto to keep out non-Communist countries. U. S. Pres. Eisenhower reportedly had made 2 personal appeals to Natl. Chinese Pres. Chiang Kai-shek in late November, urging the Formosa regime not to veto the Canadian plan. (U. S. State Secy. John Foster Dulles declined to comment on this report at his news conference Nov. 29.)

Dispute on Voting Procedure

The Security Council votes Dec. 13-14 were taken under a system proposed by Brazil & New Zealand, providing for separate votes on each applicant and a final vote on the entire list.

Soviet delegate Sobolev, seeking guarantees that all 5 Communist countries would win Assembly approval, had proposed in the Security Council Dec. 10 that the Assembly vote on each applicant immediately after it was approved by the Council. Since the applicants were to be considered in the chronological order of their applications (Albania & Outer Mongolia first), Western powers feared that Albania would be accepted but Chinese veto of Outer Mongolia would lead to Soviet vetoes of the 13 non-Communist countries.

About 50 delegations which supported the Canadian plan met privately Dec. 12 at the suggestion of Canada, India & Ecuador, but the

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Facts on Outer Mongolia

Mongolian Peoples Republic (Outer Mongolia) covers 606,000 sq. mi. (twice area of Texas) adjoining Siberia; est. pop. 910,000. Capital: Ulan Bator. Economy: based chiefly on livestock raising. World power in 13th century under Kublai Khan. Under Chinese Manchu rule 1689-1912. Declared independent 1912 (after Chinese revolution) by native princes paying allegiance to Living Buddha. Entered 1921 by Soviet troops who supported Mongolian revolutionaries in declaring a republic after Living Buddha's death 1924. Communist-dominated plebiscite 1945 established nominal independence recognized Jan. 5, 1946 by Natl. China under 1945 Sino-Soviet treaty (renounced by Natl. China 1953). Applied for UN membership June 1946. Soviet-style Govt. has elected Parliament (Great Hural); 30-member Parliamentary Exec. Com. (Little Hural) selects 10-member Cabinet, also 7-member presidium to function for Parliament between Great Hural's triennial sessions.

caucus failed to agree on a specific pledge that the 5 Red countries would be approved in the Assembly if Russia did not veto the 13 non-Communist countries in the Security Council. Some delegations were opposed to such a reaffirmation merely to allay Soviet suspicion of their motives. U.S. delegate Lodge, who was not invited to the meeting, called it "a dubious proceeding" & "star chamber practice" which he would not have attended if invited.

Despite the absence of assurances, Sobolev told the Security Council Dec. 13 he would accept the New Zealand-Brazilian voting procedure.

China, Russia Exercise Vetoes

Sobolev then vetoed (in the Security Council Dec. 13) amendments by Tsiang to include South Korea & South Viet Nam in the Canadian plan, which had been passed by the Gen. Assembly [see p. 405C3] with a recommendation that the Security Council admit all applicants "about which no problem of unification exists."

After abstaining from the Security Council vote on Albania, Tsiang vetoed Outer Mongolia, whose legitimate status as a free country he had challenged repeatedly in UN debates. Sobolev countered with vetoes of each of the 13 non-Communist countries. These brought to 15 the total vetoes cast by Russia in the Council Dec. 13—the most it ever had cast in one day—and raised Russia's total Council vetoes since 1946 to 74. [See col. 2E]

(Albania received Dec. 13 the 7 affirmative Council votes required [U.S., Natl. China, France, Belgium abstaining]. Bulgaria, Hungary & Rumania each received 9 votes [U.S., China abstaining]. But the paragraph of a resolution incorporating their admission failed to pass as a whole.)

U.S., Russia Dispute Blame

Following the Canadian plan's defeat, Sobolev said Dec. 13 that Tsiang, "an individual who represents only himself," had been used by the U.S. to do "its dirty work." This was denied by U.S. Amb.-to-UN Henry Cabot Lodge Jr., who said that Soviet insistence on Outer Mongolian membership had kept the other 17 nations out of the UN. Lodge made no reference to Tsiang's veto, although Lodge had urged that no vetoes be used in the membership vote.

A U.S. State Dept. statement Dec. 14 (before introduction of the Soviet compromise) pointed out that the U.S. had "never cast a veto" and had announced earlier that "it would not thwart the will of the majority" on UN membership, "regardless of its views on the qualifications . . . of Outer Mongolia or the European Soviet satellites." "The irrefutable facts are that the Soviet Union took the position that the will of the majority be damned," the statement said. "To them it was Outer Mongolia or nothing. As a result of this view there was nothing."

(After UN approval later Dec. 14 of the Soviet 16-nation compromise, the State Dept. said its earlier remarks still stood.)

Sobolev Offers Compromise

Sobolev unexpectedly called Dec. 14 for an "urgent" Security Council meeting that day to reopen discussion of the membership question. When the Council met he introduced a resolution proposing the 16-nation package. His proposal dropped from Canada's list of 18 these 2 applicants: Outer Mongolia, which he said would be vetoed again by Natl. China, and Japan, which he said must wait until 1956 "for reasons abundantly clear to everyone." (The USSR still was technically at war with Japan. Japanese-Russian peace talks were to be resumed in London after Christmas.) [See p. 271E1]

Again Vetoes Japan

U.S. Amb. Lodge, after a Council recess to study Sobolev's new proposal, offered an amendment to add Japan to the list. This was vetoed by Sobolev, who said he assumed "measures would be taken through united efforts" to admit Japan & Outer Mongolia during the Gen. Assembly's 1956 session. The veto was the 75th cast by Russia in the Security Council since 1946* and its 16th in 2 days. [See col. 1F]

16 Applicants Approved

The Council then approved Dec. 14 the 16 applicants proposed in the Soviet resolution. Votes: 11-0 for Jordan, Ireland, Portugal, Italy, Austria, Finland, Ceylon, Nepal, Libya, Cambodia & Laos; 10-0 (Belgium abstaining) for Spain; 9-0 (U.S., Natl. China abstaining) for Hungary, Rumania & Bulgaria; 8-0 (U.S., Natl. China, Belgium abstaining) for Albania.

The Gen. Assembly held a special night session later Dec. 14 to give its vote of approval (by more than the required 2/3 majority) of the 16 applicants accepted by the Security Council. [See p. 405D2]

*France cast the 2 other vetoes in the Council's total of 78, counting China's on Dec. 13. [See Vol. X, p. 74H]

EAST-WEST RELATIONS

Russia, India Report Accord

Soviet Premier Nikolai A. Bulganin & Indian Prime Min. Jawaharlal Nehru said in a joint statement Dec. 13 that "there is no course open but that of disarmament" in order "to establish world peace & to eliminate conditions leading to the inconceivable disaster of another world war."

The statement, issued at the end of the 20-day visit of Bulganin & CP Chief Nikita S. Khrushchev to India, said that "even continuing the present scale of armaments is a constant invitation to war." "There has already been a large measure of agreement on this subject, and there appears to be no reason why the remaining obstacles should not be overcome soon if enduring peace is the aim," Bulganin & Nehru said. The statement said Russia & India shared a "strong conviction that there should be unconditional prohibition of the production, use & experimentation of nuclear & thermonuclear weapons" and that peace could not be insured by "formation of military alliances or regional military blocs" but "only by the collective efforts of states." [See p. 382C1]

The Bulganin-Nehru statement said that the Russians' visit to India & Nehru's visit to the Soviet Union in June "strengthened ties of friendship" and "resulted in understanding between them & their peoples which is based on mutual respect, good will & tolerance." The 2 leaders reaffirmed adherence to the principles of peaceful coexistence*. They also asserted they were "strongly of the opinion that the principle of universality should be applied to membership of the UN." They declared that "lasting peace" was impossible as long as Communist China was not "given its rightful place in the UN." They also said that the "legitimate rights" of Red China to Formosa & other coastal islands "should be satisfied and the Korean problem should be settled on the basis of recognition of the national rights of the Korean people." [See p. 206B3]

Bulganin & Nehru expressed regret over "impediments . . . placed in the way of carrying out the Geneva agreement" in Viet Nam & Laos. They said that "breakdown of these agreements would produce consequences of utmost gravity both to Indochina & to the world at large." [See pp. 248B3, 351D3]

Trade Agreement Announced

The Bulganin-Nehru statement Dec. 13 was accompanied by a trade

†The 5 principles were also endorsed in a joint statement Dec. 11 by Nehru & Saudi-Arabian King Saud after Saud's 17-day state visit to India. (Saud met the Shah of Iran for the first time Aug. 9, when he visited Teheran en route to Caspian Sea resorts.)

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agreement which called for: (1) Indian purchase of 1 million tons of Soviet steel during the next 3 years; (2) Indian purchase of Soviet oil & mineral equipment; (3) Soviet purchase of Indian raw materials & manufactured goods equal to Indian purchases in the USSR; (4) establishment of 2-way shipping service between India & the USSR.

Back India on Kashmir

During a visit to Kashmir Dec. 9-10, Bulganin & Khrushchev indorsed Indian claims to the predominantly Moslem state, currently split between India & Pakistan pending settlement of terms for a plebiscite. Khrushchev said in Srinagar Dec. 10 that the Kashmir problem should be "decided by the people themselves" and that they had done so in the Kashmir Constituent Assembly 2 years ago. [See Vol. XII, p. 267G2]

Khrushchev disclosed that Pakistan had "recommended" that he & Bulganin not visit Kashmir or Afghanistan.* (Afghanistan was calling for a plebiscite among the Pathan border tribes of Pakistan, looking toward establishment of an autonomous Pathan state.) [See p. 123G3]

Khrushchev assailed Pakistan's "unprecedented interference" in "another country's internal affairs." "No other power . . . had dared to tell us what we should do and whom to choose as our friends," he said.

Khrushchev criticized Pakistan's participation in the Baghdad Pact, which, he said, was "directed against the USSR & other peace-loving countries." The pact "and the construction of military bases in Pakistan & on the borders of our country is frankly worrying us" and "it is our aim to weaken this military alliance which could lead to possible adventures," he declared. [See p. 390B2]

The Pakistan Forgn. Ministry said Dec. 10 that the Russians' visit to Kashmir was "an unfriendly act."

(Khrushchev told a new Delhi audience Dec. 13 he had "annoyed America" by his remarks about Portuguese India "and they came out with strong support" of Portugal.) [See p. 398F2]

Dulles Sees New Red 'Guile'

U. S. State Secy. Dulles, addressing the annual Ill. Mfrs. Assn. dinner in Chicago Dec. 8, said of East-West relations: The "post-war decade of violence & threat" seemed "to have undergone an eclipse" since spring and "we are, it seems, in a new phase of the struggle between international communism & freedom." Soviet rulers, "balked in their effort to extend their influence by force," had "picked the less-developed areas of the world as targets of their guile." "Soviet rulers find it easy to neglect" living standards in the USSR & satellite countries "while professing concern for the welfare of those whom they call 'colonial & dependent peoples,' whose amalgamation . . . into the Soviet Communist orbit has always been an open goal of Soviet policy." Stalinism "is still a potent influence in Russia," and "we must act on the assumption that the present Soviet policies do not mark a change of purpose, but a change of tactics."

U.S. to Increase Aid

The Secretary pointed out that the U. S. had aided less-developed areas for several years with private capital & a governmental program, and he said: "We expect to ask the Congress this coming year for as much money for this purpose as we think can usefully be spent." "Also we shall seek somewhat more flexibility than heretofore." He warned that a "crusading spirit," not "a grudging response" & "public money alone," would be required of the U. S. to meet the Red "challenge" in under-developed areas. [See p. 160D3]

Dulles said the free nations had given "clear warning [through NATO & other regional treaties] that armed aggression will be met by collective action" and was "prepared to implement this political warning with deterrent power." "Except for countries of South Asia which choose 'neutralism,' the gaps in the warning system have been closed." He added that the U. S. would "earnestly strive for some dependable system of limitation of armament." [See pp. 398F3, 381B1]

Eden Replies to Reds

British Prime Min. Sir Anthony Eden Dec. 12 described the Bulganin-Khrushchev attacks on Britain & the West as "fantastic." In the sharpest criticism of the USSR in Commons since the Big 4 summit meeting, Eden said: "We are told we are the wicked colonialists in Asia and that communism is the liberator. Is that really true anywhere on this earth today?" Eden cited the Colombo plan: "$450 million spent by the Commonwealth countries since 1951 in helping to create more prosperous conditions." [See pp. 390D1, 398G1]

Reds Firm on Berlin

Georgi M. Pushkin, Soviet Amb. to East Germany, reaffirmed East German sovereignty over East Berlin in notes to the U.S., Britain & France Dec. 14. By referring to Maj. Gen. Charles Dasher as "the commander of the American garrison of West Berlin," Pushkin indicated that 4-power occupation of Berlin had ended. The Russians recently had begun to call their own commandant in East Berlin, Maj. Gen P. A. Dibrova, the "commander of the Soviet garrison in East Berlin." In replying to the 3 Western powers' notes of Dec. 1, Pushkin said that Dasher had been told that the question of an unregistered radio transmitter" fell "fully & completely into the jurisdiction" of the East Berlin police. Pushkin referred the 3 powers to the Sept. 20 agreement between the USSR & East Germany regarding "other questions mentioned in your letter."

The East German Govt. announced Dec. 9 that it formally had taken over from the Russians control of the borders of East Germany, the perimeter of Berlin & the border between East & West Berlin, effective Dec. 1. [See p. 397E1]

John Flees to West

Dr. Otto John, 46, ex-West German intelligence chief who disappeared in East Berlin July 22, 1954 & later broadcast against the West, returned to Bonn by air Dec. 13 & surrendered himself to the Fed. Criminal Office. He was not arrested pending an investigation by the examining judge of the Fed. Supreme Court.

In an account written for the AP Dec. 14, Danish journalist Hendrik Bonde-Hendriksen said he had driven John past East Berlin guards Dec. 12 in keeping with an escape planned by John in an East Berlin restaurant some weeks before. Bonde-Hendriksen said John denied that he went to the East voluntarily and related the following experience: He (John) blacked out, from drugs or some other cause, while visiting Dr. Wolfgang Wohlgemuth at the doctor's clinic in West Berlin July 22, 1954. He "woke up 2 days later" in East Berlin with "Soviet intelligence agents around," was "given an injection," flown to Moscow and "almost questioned to death" but gave the Russians no valuable West German secrets. He had been kept in East Berlin the past year "under surveillance of the East German security service," refused to turn Communist and grown outspoken in his criticism of Red Leaders. He was refused permission to go to Copenhagen this year for fear he would desert.

Bonde-Hendriksen quoted John as saying he had not seen Wohlgemuth since 1954 but had "heard that he is in China." [See Vol. XIV, pp. 252F3, 283D2]

OTHER WORLD NEWS

Israeli Army force killed at least 41 soldiers & civilians in a raid Dec. 11 on a Syrian Army post & farmhouse near the northeast corner of the Sea of Galilee, a UN truce observer team reported Dec. 12. Israel said the attack was ordered to silence Syrian guns shelling Israeli fishing boats. Syria Dec. 13 demanded a UN Security Council meeting to deal with the attack, which it called a "treacherous . . . act of open aggression" and a violation of the Israeli-Syrian armistice agreement. [See p. 359B2]

Hugh Gaitskell, 49, ex-Chancellor of the Exchequer, was elected Dec. 14 to succeed ex-Prime Min. Clement R. Attlee as leader of the Labor Party & Her Majesty's Opposition in Commons. (Queen Elizabeth approved the title of Earl Attlee for the retired leader, it was announced Dec. 9 [see p. 402D3]. Attlee's son became Viscount Prestwood of Walthamstow.) Labor MPs elected Gaitskell on the first ballot by giving him 157 votes to 70 for Aneurin Bevan, 40 for Herbert Morrison. Morrison resigned as deputy leader after the vote. Gaitskell, the first trained economist & youngest man to head the party, had represented South Leeds in Parliament since the Labor landslide of 1945. [See p. 361A-B3]

*The Soviet party left New Delhi Dec. 14 for Kabul, Afghanistan, but weather conditions prevented the party from landing. The Russians flew on to Stalinabad, capital of the Tadzhikstan SSR. [see p. 398G1]

THE PRESIDENT

Doctors Urge Slow-Down

Pres. Eisenhower was driven from his Gettysburg farm Dec. 10 to Walter Reed Army Hospital in Washington, where his doctors gave him a thorough medical check-up and then reported that his condition was good and his convalescence satisfactory.

But Maj. Gen. Howard McC. Snyder, the President's personal physician, said Mr. Eisenhower "has been a little fatigued" as a result of the recent increase in his work load and that therefore the physicians had been urging him to slow down. This fatigue had been evident before the check-up, Snyder said.

Snyder said he thought Mr. Eisenhower should wait until mid-February before deciding whether he was well enough to seek a 2d term. He said it would take that long to discover whether the recovery would be sufficiently complete. Snyder also said that cardiologists disagreed as to whether a person who had suffered a heart attack such as the President's "should ever play golf" again.

Snyder described the attack for the first time in public as "acute coronary thrombosis." Col Thomas W. Mattingly, Walter Reed Hospital heart specialist, explained that "acute" meant only that the attack had come "suddenly" and did not relate to the "size" or "severity" of the attack, which the physicians considered "moderate" [see p. 319F-G3]. Snyder indicated that as far as he knew, Mr. Eisenhower was as alert mentally as he had been before the attack. [See p. 391D1]

Dr. Paul Dudley White, Boston heart specialist who headed the doctors treating the President, said in Belmont, Mass. Dec. 10 that fatigue could be expected in any illness if a patient resumed activity after being inactive for several weeks.

2d-Term Decision Discussed

Presidential disarmament adviser Harold E. Stassen said Dec. 11 that "there shouldn't be any pressure" on the President to make an early decision about whether to seek a 2d term. "I think he could decide anywhere up to June or July and the country would be thankful he would serve," Stassen said. He denied that this would work a hardship on potential GOP Presidential candidates who might want to enter primaries scheduled before June or July.

Senate Republican leader William F. Knowland (Calif.) had decided, according to Washington press reports Dec. 8, that he would become an avowed candidate if Mr. Eisenhower failed to announce a decision by Feb. 1—before the deadline for filing in New Hampshire's primary. Senate GOP Policy Com. Chrmn. Styles Bridges (N.H.) said in Concord, N.H. Dec. 11 that he still hoped the President would announce his decision before the deadline for the New Hampshire primary because otherwise New Hampshire voters would be "in very much of a perplexed situation." (Republican Gov. Lane Dwinnell of New Hampshire announced Dec. 12 that he would run in the primary as an Eisenhower candidate for delegate.)

GOP Natl. Chrmn. Leonard W. Hall said Dec. 11 that there was no need for Mr. Eisenhower to announce his decision before March. Sens. Irving M. Ives (R., N.Y.) & Arthur V. Watkins (R., Utah) said nobody should "crowd" the President about his decision. Ives said it would be "sensible" for the President "to take all the time he needs" because a delay of a few months would not affect other candidates. Watkins said the President was "fair-minded" and "would announce his decision in ample time" if "he felt that he should not get in the race." [See p. 399G1-F2]

Confers With Congress Leaders

Pres. Eisenhower & his Cabinet aides discussed the Admin.'s 1956 legislative program with Republican Congressional leaders at 2 White House sessions Dec. 12. Next day Mr. Eisenhower & his advisers met with Republican & Democratic leaders of Congress for a bipartisan conference on foreign affairs & defense plans for 1956.

An official statement on the Dec. 12 talks disclosed that the Republicans had agreed to give "top priority" to Agri. Secy. Ezra Taft Benson's legislative proposals for "assisting the farmers of the nation." It said the GOP Congress members "expressed approval of the aims of [Benson's] major recommendations." [See p. 402B2]

Unofficial reports of the Dec. 13 conference said the Admin. was proposing a $35½ billion defense budget —up $1 billion from the current military expenditure rate. Chief items: Air Force $16½ billion (up $600 million), Navy $9.7 billion (up $200 million), Army $8.6 billion (up $100 million), other expenditures $700 million. [See p. 399A3]

It was reported that Pres. Eisenhower & his aides had urged at the Dec. 13 session an international information program costing $135 million—about 2/3 above current expenditures. Principal objective would be to explain to the world the President's atoms-for-peace & "open-sky" disarmament plans. [See p. 294B-C3]

Mr. Eisenhower & most Congress members who attended the Dec. 12-13 conferences seemed agreed that there should be no action on tax cuts until at least the spring of 1956, when there would be more information on the Govt.'s financial position. Sen. Walter F. George (D., Ga.), the only one publicly to reject this view, said Dec. 13 that federal revenues were "holding up pretty well" and that the Govt. could stand a $3½ billion cut in fiscal 1957. He suggested raising the individual income tax exemption from $600 to $700. House Speaker Sam Rayburn (D., Tex), while "not convinced that we should have a tax cut," said Dec. 13 that there were "a great many inequities in the tax set-up now" and that if cuts were made, "the little fellow is not going to be left out as he has been in the past." [See p. 385F3]

(The programs presented at the White House conferences had received a final Admin. going-over at 2 days of meetings held by Mr. Eisenhower & his top advisers at Camp David, Md. Dec. 8-9. After the White House sessions, the President Dec. 13 flew back to Gettysburg.) [See p. 399G2]

Other Presidential News

Pres. & Mrs. Eisenhower entertained Pres. & Mrs. Luis Batlle Berres of Uruguay* at tea at the White House Dec. 12. . . . Mr. Eisenhower Dec. 9 urged Americans to observe Human Rights Day Dec. 10 by working "for peace, freedom & justice throughout the world." . . . 20 members of the Amnesty Demonstration Com. picketed the White House Dec. 10 with banners urging the President to give amnesty to conscientious objectors imprisoned during World War II and "still being punished" because their civil rights had not been restored.

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POLITICS

Stevenson Picks 4 Primaries

Adlai E. Stevenson announced in Chicago Dec. 14 that he was entering the Democratic Presidential primaries in California, Florida, Pennsylvania & Illinois. He previously had made known a decision to run in the Minnesota primary [see p. 377A-B1]. He said "these primaries were selected to provide for expressions of preference on a regional basis in the East, Midwest, South & West."

Ex-Army Undersecy. Archibald S. Alexander resigned as N. J. State Treasurer Dec. 5 to become director of the Natl. Stevenson for President Com., which opened offices in Chicago Nov. 21. A non-professional political unit, it was formed to coordinate efforts of volunteers backing Stevenson. Its co-chairmen were Mrs. Edison Dick & Barry Bingham, pres. of the *Louisville Courier-Journal & Louisville Times*. [See p. 377D1]

Sen. Hubert H. Humphrey (D., Minn.) indicated during an ABC TV interview Dec. 4 that he would be glad to be Vice Presidential candidate on a Stevenson ticket but that he was not looking for the nomination [see p. 377F1]. Sen. James E. Murray (D., Mont.) assured Stevenson in a letter

*Batlle, 57, had arrived in Washington Dec. 5 for a state visit. During talks in Washington & New York, which he visited Dec. 9-12, Batlle said he sought no U.S. financial aid but was trying to get the U.S. to lower tariff barriers to Uruguayan goods. In an address to the UN Gen. Assembly in New York Dec. 9, Batlle said small nations had as important a role as big ones in preserving peace. He told newsmen Dec. 9 that he thought Communist China should be admitted to the UN because of its great influence as a nation of more than 400 million people and because the UN was the best place to deal with "a group that endangers humanity." Batlle said while receiving an honorary LLD at Columbia U. Dec. 10 that, by taxing the wealthy, Uruguay was able to give free public education through the university level. He said 12% of Uruguay's 320,000 citizens were students; 11,000 were enrolled in the 6 universities. [See p. 69G3]

Dec. 11 that "you will have . . . the support of my state's delegation to the 1956 Democratic Convention."

Mrs. Franklin D. Roosevelt said in New Orleans Dec. 6 that she would back Stevenson for the nomination. She approved his call for "moderation" in Govt. & politics [see p. 385G1-B2]. But Gov. G. Mennen Williams of Michigan, a possible "favorite son" candidate for the Democratic Presidential nomination, denounced Stevenson's moderation stand Nov. 26 in a speech in Denver. He said that "the temporizers, those who look backward, those who are satisfied with the status quo, those who today grudgingly yield to the necessities of yesterday and hence never progress but always and inexorably slide back, are traditionally on the other side not ours. Democrats traditionally . . . push doggedly ahead . . . to a greater & still greater tomorrow." [See pp. 363C2, 337C2]

Scores GOP Leaders

Stevenson charged at the concluding session of the AFL-CIO founding convention [see p. 399C3] in New York Dec. 8 that leading Republicans were attacking labor in "what appears to be a design to play the ugly politics of group conflict & hatred." He cited 5 instances:

- Agri. Secy. Ezra Taft Benson's "attempt to blame the farmers' current depression on the city worker's wage increase." [See p. 402B2]
- Chrmn. Barry M. Goldwater of the GOP Senatorial Com. "charged labor leaders with organizing 'a conspiracy of national proportions' to take over the Fed. Govt." [See pp. 400F3-401C1]
- Chrmn. Frederick C. Crawford of the "Salute to Eisenhower" dinners "made his curious insinuating statement that labor became a potent political force in America at about the same time as the rise of the Nazi Party in Germany." [See p. 401B2]
- Interior Secy. Douglas McKay "said that he doesn't 'happen to go along with some of the "goons",' as he puts it, who are 'running things'."
- Wisconsin GOP State Chrmn. Philip G. Kuehn called labor leaders "Marxist-Socialist bosses who are trying to take this country down a rathole."

Republican Natl. Chrmn. Leonard W. Hall charged Dec. 9 that Stevenson knowingly told "an untruth" when he accused Republicans of promoting group hatred. Benson Dec. 11 said Stevenson had misrepresented his views. He denied blaming wage increases for farm troubles and said such problems were solely the result of "unsound Democratic programs." McKay denied the statement about "goons."

(The American Jewish Congress presented its first annual award to Stevenson in Chicago Dec. 12 for furthering "the constitutional principles of freedom & equality.")

Stevenson's Housing Proposals

Stevenson, addressing the closing session of the Amer. Municipal Assn. meeting in Miami Nov. 30, assailed the Eisenhower Admin. for cutting back federal housing programs and for putting the programs in the hands of unsympathetic officials.

Stevenson proposed this remedial plan: (1) "A federally-aided public housing program measured not by the limitations of false economy but only by the needs of our lowest-income families"; (2) "practical Govt incentives that will bring decent private housing within the reach of the middle-income group"; (3) "an all-out local-state-federal attack on the problem of slum clearance & urban renewal"; (4) "a 2-level attack on traffic congestion to improve our mass transit systems and to . . . permit traffic to move freely around & through our cities"; (5) "maximum use by local governments of the tools now in their hands—planning, zoning, building codes, conservation measures & all the other devices by which they can order the growth of the cities"; (6) "a closer working relationship between government & private enterprise, based on the recognition that the consumer's interest, which is the general interest, has to come first." [See p. 272C2]

(Mayor Robert F. Wagner Jr. of New York was elected AMA pres.)

Harriman's Views

N. Y. Gov. Averell Harriman told Democrats at a Burlington, Vt. dinner Dec. 14 that Congressional investigations had uncovered "the inroads being made by monopoly & bigness under the Republicans." He contrasted this with Democratic policy, which he said provided for protection of small & moderate-sized business. He urged a return "to the fight against monopoly" in order to "strengthen free enterprise." [See p. 402D2]

Harriman announced in Albany Dec. 9 that he would ask the GOP-controlled N. Y. State Legislature in 1956 to lower the voting age from 21 to 18. Harriman in New York Dec. 10 proposed a program of federal scholarships for qualified students who otherwise would be unable to afford to go to college. Harriman said in Milwaukie, Ore. Nov. 22 that Democrats always pressed for full development of natural resources such as water power whereas Republican Admins. neglected such resources or turned them over to "giant corporations." He cited the Hell's Canyon "deal" in which, he said, the Eisenhower Admin. "handed over the finest remaining damsite in America—not to be fully developed . . . but to be underdeveloped and to be rendered unavailable for full development for all time." Harriman Nov. 26 indorsed the 13-point legislative program proposed by Senate Democratic leader Lyndon B. Johnson (Tex.) in a Nov. 21 speech. [See p. 385F3]

(White House press secy. James C. Hagerty refused Dec. 14 to confirm or deny a report that Pres. Eisenhower had assailed Harriman as "a Park Ave. Truman" during his meeting with GOP Congressional leaders Dec. 12. Harriman said Dec. 14: "I'm always glad to have my name associated with that of former Pres. Truman.") [See p. 400G1]

Farm Issue

Agri. Secy. Benson announced Dec. 13 that the Eisenhower Admin. would recommend to Congress a "soil bank" program & 4 other "basic proposals" that had been approved by the Natl. Agricultural Advisory Comm. at a Dec. 12-13 meeting. The proposals called for: (a) liberalized farm credit; (b) a broadened surplus disposal program; (c) "easing up of controls, such as exemption of wheat from marketing quotas when fed on farm"; (d) "new appropriations for research."

Benson Dec. 14 announced a broadening of the program for disposal of surpluses to aid the needy overseas. The plan called for distribution of wheat & corn to 67 nations by 18 religious & private relief agencies starting about Jan. 1. Exec. director R. Norris Wilson of Church World Services estimated that the agencies could handle about 750-800 million lb. of wheat & corn—double the current program—during 1956. (The Agri. Dept. Dec. 14 announced its largest single sale of surplus butter for commercial export—a sale of 6,171,827 lb. to West Germany at 35½¢ a lb. for U.S. Grade A and 33½¢ for Grade B. [See p. 402B2-A3]

Benson disclosed Dec. 10 that, as a result of a discussion with Pres. Eisenhower, he had ordered an Agri. Dept. study to find out why average retail food prices have risen "slightly" at a time when "farmers' prices for food products have been declining." He said: "We know that some margins are too great and not justified although we recognize that in some instances processors & distributors have increasing costs which they must pay." [See p. 360B-C3]

A proposal to reduce the pig surplus by Govt. payments of $5-$7 a head to farmers for killing female hogs was rejected by Benson, Pres. Eisenhower & most of the Cabinet at a meeting at Camp David, Md. Dec. 9. The plan had been advanced by Sen. Bourke B. Hickenlooper (R., Ia.) with the reported backing of Vice Pres. Nixon & 10 Congress members from Midwestern corn-hog states. Ex-Vice Pres. Henry A. Wallace, who as Agri. Secy. had tried such a plan in 1933, warned Dec. 9 that it "is certain to be represented." He said Midwestern Republicans had initiated the 1933 program and it had succeeded but that "more crocodile tears were shed about the sweet little pigs than about any animals in all history." [See p. 360A1]

The *N. Y. Times* reported Dec. 13 that the Republican Natl. Com. had hired the public relations firm of Braun & Co. of Los Angeles to try to make Benson & his policies more popular with farmers. Jennings Philips of Braun & Co. was put in charge.

Cotton farmers in 23 states & Puerto Rico voted 267,23-20,191 in a national referendum Dec. 13 to continue federal acreage & marketing controls in 1956—for the 3d consecutive year—so that cotton price supports could be set at a high level. The 93% favorable vote (only a 2/3 majority was necessary) compared with 92% in 1954. [See p. 346G2]

GM Practices Probed

Charges of monopolistic practices & coercion of auto dealers by the Gen. Motors Corp. were aired before the Senate Anti-Trust & Monopoly Subcom. at hearings in Washington Nov. 8-Dec. 9. The investigation served as a case study of the effect of a firm's bigness on an industry.

Actg. Subcom. Chrmn. Joseph C. O'Mahoney (D., Wyo.) warned Nov. 23 that Govt. "regulation" was needed for the auto industry to remain "free" because otherwise there "will be a battle" to decide whether the industry would be controlled by GM or by the Govt. The GM management already exercised "control in a very high degree in the automotive industry," he charged.

O'Mahoney indicated Dec. 10 that the hearings had strengthened his conviction that "corporations engaged in interstate & foreign business" should be chartered by the Fed. Govt. He said that GM, "the largest manufacturing company in the world," was in effect "an economic state which influences every [U.S.] community" but was "governed or is capable of being governed by the 50 largest stockholders out of a total of more than 540,000."

Highlights of the hearings:

Nov. 8—Ex-Gen. Electric Vice Pres. Theodore K. Quinn said GM "is entirely too big—it unwittingly threatens the very existence of countless good companies & eventually our own free American institutions." He recommended higher taxes on firms with net worth exceeding $100 million as a means of curbing industrial "giantism." . . . **Nov. 9**—World War II Govt. contracts gave GM such a competitive advantage in the Diesel locomotive business that it captured ¾ of the U.S. market, according to testimony of these 4 vice presidents of Diesel locomotive firms: Wm. F. Lewis of Alco Products, Inc. (formerly American Locomotive Co.), V. H. Peterson of Fairbanks Morse & Co. and O. DeGray Vanderbilt & R. Nevin Watt of Baldwin-Lima-Hamilton Corp. Lewis said the Govt. authorized GM to produce road-type Diesel locomotives but limited Alco to switch engines and imposed similar restrictions on other manufacturers. . . . **Nov. 10**—Ex-GM Vice Pres. Harold L. Hamilton denied that wartime contracts had given GM its Diesel locomotive leadership. He reported that GM's share of the market actually had dropped during the war. Although GM was given "a sheltered position on freight locomotives" during the war, GM was forbidden to make switch engines, and other companies had a "sheltered position" in this field, Hamilton said. Hamilton in 1922 had founded the Electro-Motive Engineering Co., which with the Winton Motor Co. was sold to GM in 1930 because they lacked financing to develop improved Diesel locomotives. Hamilton attributed GM's success to good research, engineering & market planning and to production efficiency. O'Mahoney declared that GM auto dealers were suffering financially and finding it hard to sell. GM general counsel Henry M. Hogan suggested that O'Mahoney ask the GM dealer "how much he's made in the last 5 years and see if he's crying wolf or talking with a ham under his arm." O'Mahoney said he would do so "if you gentlemen will assure them there will be no reprisals."

Nov. 16—Vice Pres. Thomas P. Butler of the Flexible Co. (Loudonville, O.), GM's chief competitor in bus manufacture, produced a 1952 memo from a vice president of his firm stating that the Great Lakes Diesel Co., a Cleveland dealer in GM Diesels, had told him that according to "orders . . . directly" from Defense Secy. Charles E. Wilson, then GM pres., "we [the Cleveland dealer] were not to deliver any engines to the Flexible Co. because they were competitors of ours." Chrmn. F. R. Fageol of the Twin Coach Co. & ex-Pres. Charles W. Perelle of A. C. F. Brill testified that GM competition had forced them out of the bus-making business. GM made 80% of all U.S.-produced buses and handicapped competitors by its ability to grant longer credit than most banks or competitors could, according to testimony of Butler, Fageol, Perelle & Pres. Stanley L. Green of the Southern Coach Co. . . . **Nov. 17**—Raymond Q. Armington defended the 1953 sale of his family firm, the Euclid Road Machinery Co. of Cleveland, to GM for GM stock then worth $18 million but currently worth $45 million. The company became GM's Euclid Div. with Armington as gen. mgr. Armington said he had to sell or Euclid could not progress "in an industry that was too big for a small family company." O'Mahoney denounced the sale as part of a trend in which big firms were "swallowing up" family companies. Subcommittee counsel Joseph W. Burns drew from Vice Pres. Charles R. Boll Jr. of the Cummins Engine Co. testimony that his firm's Diesel sales to Euclid had dropped tremendously after GM bought Euclid. Burns then showed a comparable increase in GM Diesel sales to Euclid and said that GM had "purchased one of the principal customers in the field," thereby putting itself "in a position to pre-empt . . . the market represented by this customer."

Nov. 18—General counsel James W. Cassedy of the Motor Equipment Wholesalers Assn. said independent parts jobbers had complained that GM "has continued the same or similar acts condemned" by the FTC in 1941 when it issued a "cease & desist" order directing GM to stop requiring its auto dealers to limit their dealings to GM parts & accessories. . . . **Nov. 22**—E. L. Schofield, Rockford, Ill. heater manufacturer, charged that GM has squeezed him out of the Chevrolet market by requiring dealers to buy cars with GM-installed heaters. He said the Aetna Mfg. Co. of Boston had refused to make switches for his heaters because GM had threatened to stop buying from Aetna. He conceded that GM had denied the charges and that an FTC investigation had found no documentary evidence to substantiate them. But Schofield insisted that the orders had been given to Chevrolet dealers verbally and that the FTC should have directed the dealers to testify under oath. . . . **Nov. 28**—Vice Pres. Walter Lundell of CIT Financial Corp. & Sr. Vice Pres. Charles T. Crossfield of Commercial Credit Corp. said GM's ownership of Gen. Motors Acceptance Corp. gave GMAC a great advantage in competing for the financing of GM cars. Ex-Justice Dept. lawyer Holmes Baldridge, who had prosecuted an anti-trust case against GM & GMAC, insisted that GM should be forced to dispose of GMAC because as long as it owned the subsidiary, "there will be coercion" of GM dealers to use GMAC. Subcommittee figures showed that GMAC had financed 34% of all new cars bought on installments in the U.S. during 1954 [see p. 273F3]. Exec. Chrmn. Reginald J. Holzer of the Auto Repair Executives Assn. charged that GM was "conspiring" to corner the auto repair business. He said GM pressured new car buyers to buy GM insurance and then refused "to permit the insured to have his car repaired anywhere but in the shops of the selling dealers—or at most in another GM shop."

Nov. 29—Retired Rear Adm. Frederick J. Bell, exec. vice pres. of the Natl. Automobile Dealers Assn., charged that GM & other car makers used "pressure, threats & coercion" to force dealers to "sell, sell, sell, regardless of profits." He said high sales quotas forced dealers to use deceptive advertising, unsound credit terms "& practices that are unwise & contrary to their own business judgment." Only the American Motors Corp. & Ford Motor Co. responded to his plea to help protect the public against unethical sales tactics, Bell said. . . . **Nov. 30**—J. Ed Travis Jr., St. Charles, Mo. GM dealer since 1920, testified that GM had taken up his Buick-Pontiac franchise for not selling enough Buicks. He said he had been advised to use "high pressure" & to sell more extra equipment. S. W. Fraser, Portland, Ore. dealer, reported a large increase in his sales but said he had lost his franchise after GM representatives complained that he made too much profit on each car. He said he would remain in business by "bootlegging" new cars and that he had been offered all the new cars he wanted at $25-$100-a-car markups. . . . **Dec. 1**—Lee C. Anderson of Flint, Mich. testified that GM had taken away his franchise and that GM Pres. Harlow H. Curtice had called him a "Red" because he had complained publicly about GM factory discount sales to plant executives & foremen. Anderson said he had lost thousands of dollars in 1954 because his shop was required to give service under the GM warranty to factory-discount cars he had not sold. Sumpter Priddy of Waverly, Va. & M. L. Ward of Albany, Ga. testified that GM representatives had asked them to make false registrations (to register as sold all cars in their showrooms or scheduled for delivery) in order to boost Chevrolet sales figures.

Dec. 2—Curtice, GM Chrmn. Alfred P. Sloan & 13 GM vice presidents were required by O'Mahoney to listen while dealers M. H. Yager of Albany, N.Y., J. B. Silaz Jr. of Conway, Ark. & Ed Hammer of Sheridan, Wyo. accused the company of "almost diabolical" pressure on dealers to increase sales by easy credit & excessive trade-in allowances. They said the one-yr. franchise system enabled GM to throw a dealer out of business at short notice after the dealer had invested thousands of dollars in facilities. Silaz said a dealer was forced to buy "tools & accessories whether he needs them or not." He complained that he had been forced to buy air-conditioning tools although he never had done air conditioning and did not plan to do any. Curtice presented a statement (released in advance to the press) which said of GM: "I know of no management organization that has a higher standard of business ethics, a greater sense of public responsibility or a more genuine regard for the equities of the various groups with which we have contact." . . . **Dec. 6**—Curtice announced that, as a result of the public charges against his firm, GM would give its dealers 5-yr. franchises instead of the current one-yr. contracts. Dealers could cancel any time on 30 days' notice. Curtice said that "such a long-term relationship with our dealers . . . for all practical purposes has been in effect . . . for many years." He said GM's relations with a "vast majority of its 17,000 dealers are on a very high level" and that "the public has been grossly misinformed by . . . misleading statements" of a "few complaining dealers" & other witnesses. O'Mahoney called the 5-yr. franchise "a step in the right direction" although it did not "cure the inequities still existing" in GM dealer contracts. . . . **Dec. 7**—Curtice denied that GM sent any dealer even "one car that he does not order." [See p. 92A3]

Dec. 8—GM Vice Pres. William F. Hufstader testified that complaining dealers had only themselves to blame for failure to meet the challenge after the easy selling days when "anything with 4 wheels could be sold." He said complaining dealer M. H. Yager had made more than $1 million on a 1941 dealership investment of $10,000 ($5,000 of it borrowed) but recently had showed "inadequate performance." Complaining dealer A. M. Work of Portland, Ore. invested $90,000 in 2 Pontiac dealerships and drew more than $2 million in profits, salary & bonuses in a few years, Hufstader said. . . . **Dec. 9**—O'Mahoney introduced a telegram from Chrmn. A. S. Mike Monroney (D., Okla.) of a Senate Commerce subcommittee that had sent questionnaires to dealers of all major car manufacturers. The telegram said 8,276 GM dealers had responded and that 6,047 of them had indicated their belief in a need for Congressional study of possible auto marketing legislation. Only 869 said they found no such need. [See pp. 395C, 346D3, 304C1, 211A1, 86A2]

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Charles P. Taft was chosen Mayor of Cincinnati by a 5-3 City Council vote Dec. 14. Theodore M. Berry, a Negro, became Vice Mayor. [See Vol. XII, p. 353B] . . . **John D. Dingell Jr.** (D.), 29, was elected Dec. 13 to his late father's seat as U.S. Congressman from Michigan's 15th Dist. [See p. 316A-B1] . . . **Matthew J. Connelly**, 48, who served as ex-Pres. Truman's appointments secretary, was indicted with ex-Asst. Atty. Gen. Theron Lamar Caudle, 51, & ex-Kansas City lawyer Harry I. Schwimmer Dec. 1 on charges of conspiracy to defraud the Govt. The indictment, returned by a federal grand jury in St. Louis, charged bribery in connection with a tax evasion case involving Irving Sach & Sachs' wholesale shoe firm (Shu-Stiles, Inc.). Sachs, his firm & Justice Dept. lawyer Ellis N. Slack were named as co-

PRICE INDEXES

	Oct.	Sept.	Oct. '54
Cost of living*	114.9	114.9	114.5
Apparel	104.6	104.6	104.6
Food	110.8	111.6	111.8
Housing	120.8	120.4	119.5
Rent	130.8	130.5	129.0
Medical care	128.7	128.2	125.9
Purchasing pwr. of dollar as measured by*:			
Wholesale prices	89.7	89.5	91.2
Consumer prices	87.0	87.0	87.3
Retail food prices	90.3	89.6	89.4
	Nov.	**Oct.**	**Nov. '54**
Rcd. by farmers†	225	230	242
Paid by farmers†	259	261	262
Family living items	273	274	272
Farm parity ratio†	§81	82	87

* Bur. of Labor Statistics, 1947-49=100 † Agri. Dept., 1910-14=100 §Lowest in 15 years

conspirators but not defendants. It was charged that Connelly & Caudle, "influenced by the hope & promises of reward & personal gain," had conspired to try to prevent criminal prosecution of Sachs and to keep him from going to jail if he were convicted. (Sachs was fined $40,000 in 1951 on conviction of income tax evasion but he escaped jail on the basis of physicians' reports that he was in precarious health and imprisonment might kill him.) The indictment said that $1,650 actually passed from Schwimmer to Connelly and that Connelly had "accepted as transferee an oil royalty interest in Logan County, Oklahoma." [See Vols. XIV, p. 229B3; XIII, 20N]

Business & Financial Summary

Week Ended Dec. 10

FINANCE:	This Week	Last Week	Year Ago
U.S. Treasury—			
Monetary gold stocks	*$21,688	*$21,688	*$21,710
Currency circulation	*$31,070	*$30,962	*$30,623
Banks—			
Com'l, ind'l & agri'l loans§	*[a]$25,997	*$25,833	*$22,214
N.Y. bank clearings	$10,437,851,671	$11,291,033,511	$9,590,209,549
England note circulation	£1,828.38	*£1,795.659	*£1,703.679
N.Y. Stock Exchange—			
Stock sales (shares)	13,093,322	12,490,408	18,505,770
Stock avgs (100 stocks)**	202.17	200.84	177.76
Bond sales (par value)	$21,222,400	$17,978,500	$27,302,000
Bond avgs. (30 bonds)**	98.23	98.48	101.51
INDUSTRY:			
Auto output (cars & trucks)†	209,834	206,244	170,723
Crude oil (bbls. daily)	[b]6,836,400	6,858,800	6,285,700
Soft-coal output (tons)	[c]9,030,000	10,460,000	7,432,000
Electric output (kwh.)	*[b]11,359	*10,727	*9,612
Carloadings (cars)	[b]728,216	676,685	661,777
	Oct.	Sept.	Oct. 1954
Ind'l output§¶	142	142	126
Steel output (tons)	[s]10,501,050	9,882,325	7,701,533
PRICES:	This Week	Last Week	Year Ago
Wheat (bu.)	$2.49⅝	$2.47⅞	$2.76⅛
Corn (bu.)	$1.49⅞	$1.46	$1.81¼
Cotton (lb.)	$.3485	$.3485	$.3515
Steel scrap avg. (ton)	$49.50	$47.00	$32.17
Wholesale food index‡	[d]$5.99	$5.99	$6.83
Weekly whlsl. index (BLS)¶	[d]111.1	111.1	109.3
BUSINESS:			
Dept. store sales§¶	[b]197	146	192
Failures (Dec. 1)‡	209	205	221
Forgn. Trade (Census Bur.)—	Nov.	Oct.	Nov. 1954
Imports	*$1,034	*$945.1	*$763.4
Exports	*$1,394.7	*$1,248.4	*$1,265.3

* In millions ** N. Y. Herald Tribune † Ward's estimate ‡ Dun & Bradstreet ¶1947-49=100 §Fed. Reserve Board [a]Member banks, 94 cities, Nov. 30 [b] Dec. 3 [c] Nov. 26 [d] Dec. 6 [s] Record

EDUCATION

Ford Grants $500 Million

The Ford Foundation announced in New York Dec. 12 that it would grant $500 million during the next 18 mos. to the privately-supported colleges, universities & hospitals in the U S. It was said to be the largest single philanthropic grant ever made. The grant was distributed as follows:

- $210 million to help raise faculty salaries in all 615 privately-supported liberal arts & science colleges in the U.S. The grant was in addition to a similar $50 million gift last March [see p. 79C3]. The combined gifts were to go into endowments expected to yield 4% or $10,400,000 a year.
- $200 million to the U.S.' 3,500 voluntary non-profit hospitals to improve & extend their services (not for use on operating expenses or services currently offered).
- $90 million in endowments to the U.S.' 42 privately supported medical schools on a basis for distribution yet to be worked out.

The grants Dec. 12 exceeded all the Foundation's previous disbursements ($350 million) in its 19 yrs. of existence. The Foundation held Ford Motor stock with an estimated public sale value of $2-$3 billion.

Ford Criticized Fund for Republic

Henry Ford 2d, chrmn. of the Ford Foundation's bd. of trustees, disclosed Dec. 7 he had written letters "as a private citizen" expressing belief that some actions of the Fund for the Republic (autonomous subsidiary of the Ford Foundtn.) had been dubious in character" & had "led to charges of poor judgment." [See pp. 345C1, 314G3]

OBITUARIES

Rev. Joseph F. Carroll, 63, earthquake authority, Marquette U. physicist; Dec. 12 in Milwaukee.

Earl of Clarendon (George Herbert Hyde Villiers), 78, Lord Chamberlain to King George VI, Gov.-Gen. South Africa 1931-37, BBC chrmn. 1927-30; Dec. 13 in London.

Dr. Charles W. Colby, 88, Canadian historian, later pres. of Noiseless Typewriter Co. (merged in 1924 into firm that became Remington Rand); Dec. 10 in Montreal.

Herman Cone, 60, pres. & bd. chrmn. Cone Mills (textile printers); Dec. 10 in Greensboro, N. C.

Kerwin H. Fulton, 70, bd. chrmn. Outdoor Advertising, Inc. of N. Y.; Dec. 10 in New York.

Jack Gilbert Holtzclaw, 69, pres. Virginia Electric & Power Co. since 1929; Dec. 13 in Richmond, Va.

Archer Milton Huntington, 86, son of Collis P. H. Huntington, builder of the Southern Pacific Rwy., who gave most of inherited fortune to art museums; Dec. 11 in Bethel, Conn.

Harold Osman Kelly, 71, painter of cowboy & rural themes; Dec. 12 in Brownwood, Tex.

Horace P. Liversidge, 77, bd. chrmn. Phila. Electric Co.; Dec. 8, Phila.

Amy Loveman, 74, co-fndr. & assoc. ed. *The Saturday Review of Literature.* member Book-of-the-Month Club's editorial bd.; Dec. 11 in New York.

Irenée Masson, 59, mng. ed. Quebec newspapers *Le Soleil & L'Evenement-Journal;* Dec. 9 in Quebec.

Maj. Gen. Frank D. Merrill, 52, leader in World War II of Merrill's Marauders (3,000-man U.S. Army elite volunteer force, the 5307th Composite, that fought through Japanese lines from Hukawng Valley to Myitkyina, Burma to clear way for construction of Ledo Road), New Hampshire Highway Comm. since 1949; Dec. 11 in Fernandina Beach, Fla. of heart attack. [See Vol. VIII, p. 212M]

Dr. Antonio Caetano de Abreau Freire Egas Moniz, 81, Portuguese brain surgeon who won 1949 Nobel Prize in medicine for devising surgical operation to relieve mental disorder, ex-Portuguese Forgn. Min.; Dec. 13 in Lisbon. [See Vol. IX, p. 350L]

Van Dearing Perrine, 87, impressionist painter of landscapes & studies of light, author of *Let the Child Draw;* Dec. 10 in Stamford, Conn.

Mario Peruzzi Sr., 80, pres.-co-fndr. Planter's Nut & Chocolate Co.; Dec. 10 in Wilkes-Barre, Pa.

Fernando Puma, 36, author & artist; Dec. 4 in New York.

Henry E. Ringling, 49, ex-GOP Natl. Committeeman from Wis., member circus-owning family; Dec. 9, Baraboo, Wis.

Robert E. Shelby, 49, vice pres. & chief engineer Natl. Bdcstg. Co.; Dec. 8 in Teaneck, N. J.

Mrs. Mabel Wellington White Stimson, 89, widow of Henry L. Stimson, ex-U.S. State Secy. & War Secy.; Dec. 3 in Huntington, N. Y. [See Vol. X, p. 344E]

Henry Suydam, 64, U.S. State Dept. news div. chief & official "spokesman" since 1953 while on leave from post as chief editorial writer for the *Newark Evening News;* Dec. 11 in Washington of heart attack. [See p. 347A3]

SPORTS

Winners

Robinson Regains Title. Sugar Ray Robinson, 35, of New York, 159¾ lb., regained the world middleweight boxing title in Chicago Dec. 9 by knocking out Carl (Bobo) Olson, 27, of San Francisco in 2 min. 51 sec. of the 2d round. Robinson had won the title twice before, retired in 1952 to become a showman, staged a boxing comeback this year. He became the first ex-champ to return from retirement & win back a title, and the first to win the middleweight title 3 times. [See p. 24F2]

NATL. FOOTBALL LEAGUE
Final Standings Dec. 11

Eastern Conf.	W.	L.	T.	Pct.	Western Conf.	W.	L.	T.	Pct.
Cleve.	9	2	1	.818	L. A.	8	3	1	.727
Washn.	8	4	0	.667	Bears	8	4	0	.667
N. Y.	6	5	1	.545	G. Bay	6	6	0	.500
Phila.	4	7	1	.364	Balti.	5	6	1	.455
Cards	4	7	1	.364	S. Fran.	4	8	0	.333
Pitts.	4	8	0	.333	Detroit	3	9	9	.250

Scores Dec. 11—Los Angeles 31, Green Bay 17; Chicago Bears 17, Phila. 10; Cleve. 35, Chicago Cards 24; San Fran. 35, Baltimore 24; Washn. 28, Pittsburgh 17; N. Y. 24, Detroit 19.

Jim Trimble was released as Philadelphia Eagles coach Dec. 12. [See Vol. XII, p. 315N]

Junior Rose Bowl football game in Pasadena, Calif. Dec. 10: Compton (Calif.) J. C. 22, Jones County J. C. (Ellisville, Miss.) 13.

Auto racing: Marquis de Portago of Spain won the 105-mi. Governor's Cup Dec. 9 and Phil Hill of Santa Monica, Calif. the 210-mi. Nassau Trophy Dec. 11 in sports car races at Nassau,

Bahamas. Both drove Ferraris. [See p. 372A1] . . . **Dog trials:** Cork of Oakwood Lane, black Labrador retriever owned by Dr. A. Harold Mork of Anoka, Minn., won the 1955 Natl. Retriever Stake Dec. 1-4 at Conway Ranch near Sacramento, Calif. . . . **Golf:** Sam Snead won the Miami open for $2,200 first prize in a playoff with Tommy Bolt Dec. 11. [See pp. 404D2, 300D1] . . . **Marathon:** Veikko Karvonen of Finland won the Asahi intl. marathon at Fukuoka, Japan Dec. 11 in 2 hr. 23 min. 16 sec. [See p. 332G1] . . . **Tennis:** Pancho Gonzales defeated Tony Trabert, and Pancho Segura defeated Rex Hartwig in Trabert's & Hartwig's pro debut in N.Y. Dec. 10. [See pp. 372A1, 340D2]

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N. Y. State Athletic Comm. ordered Dec. 12 that all managers & other licensed participants in boxing in New York withdraw by Jan. 15 from the Boxing Guild of N. Y., an affiliate of the Intl. Boxing Guild & chiefly comprised of boxers' managers. A commission report by Chrmn. Julius Helfand & Robert K. Christenberry on the NYSAC's 7-mo. inquiry into boxing operations in New York charged the Guild with "monopolistic practices" and some of its members with association with Frankie Carbo of Philadelphia, alleged boxing racketeer. [See p. 220B3] . . . **Damages** of $80,000 were awarded by the N. Y. State Court of Claims in Albany Dec. 13 to the estate of the late George Flores, Brooklyn boxer who died Sept. 3, 1951 of brain injuries sustained during a bout in New York. The court held that 5 State Athletic Comm. doctors had been negligent in letting Flores fight after he had been TKOd twice in 5 wks. [See Vol. XI, p. 288M]

Baseball major leagues' most valuable players this year as nominated by the Baseball Writers Assn. of Amer.: AL (Dec. 3)—N. Y. catcher Yogi Berra; NL (Dec. 8)—Brooklyn catcher Roy Campanella. [See p. 331B-G3] . . . **Bill Virdon,** 23, St. Louis Cardinal outfielder, was named NL "rookie of the year" by the Baseball Writers Assn. of Amer. Dec. 2. [See p. 332B1] . . . **Willie Mays,** N. Y. Giant centerfielder, signed Dec. 10 a 1956 contract estimated to call for $40,000. [See p. 340C2] . . . **Player trades** Dec. 9: outfielder Frank Baumholtz, 37, sold to Phila. by the Chicago Cubs; pitcher Russ Meyer from Brooklyn to the Cubs for rookie pitcher Don Elston & cash. [See p. 404E2] . . . **Leslie O'Connor** was elected Pacific Coast League pres. Dec. 12 to succeed Claire V. Goodwin. [See Vol. VIII, p. 128H]

College football coaching changes: Stu Holcomb, Purdue football coach, was named Northwestern U. athletic director Dec. 9 and announced the dismissal Dec. 12 of Northwestern football coach Lou Saban [see p. 48G2]. Kenneth (Jack) Mollenkopf, formerly asst. coach, was named Purdue head coach Dec. 12. [See Vol. VII, p. 68H] . . . **George Barclay's** release as U. of N. C. football coach was announced Dec. 13. [See Vol. XIII, p. 32G] . . . **Jim Swink,** TCU halfback, was highest point scorer among players on major college teams this year with 125 pts., the NCAA reported Dec. 8. . . . **U. of Chicago's** resumption of intercollegiate football (abandoned in 1939) on a nonconference basis was recommended Dec. 9 by a special faculty committee studying the question. . . . **Texas Tech & Houston U.** were rejected as new Southwest Conf. members at a conference meeting in Dallas Dec. 10. . . . **Notre Dame** was admitted Dec. 8 to the predominantly eastern IC 4-A (track & field).

MISCELLANEOUS

Crime. Alex Louis Greenberg, 65, wealthy brewery & loan operator known in the 1920s as chief financial advisor to the Capone gang, was shot to death by 2 unidentified gunmen as he left a Chicago restaurant Dec. 8. [See p. 187A3] . . . Dr. Hobart H. Todd, 43, was charged in Skokie, Ill. Dec. 5 with having murdered his wife by giving her sedatives & beating her fatally. . . . Arthur Jackson, 44, a factory worker, shot & killed his estranged wife, Vera, 36, her brother, Harold Brenner, 28, & himself at her home in Detroit Dec. 11. . . . Buford V. Calhoun, 32, an auto mechanic, fatally shot & bayoneted his estranged wife, Mary, 33, & 3 infant children, then shot himself to death after policemen trapped him in a drug store phone booth in East Dallas, Tex. Dec. 13. . . . Carol Marie Nevins, 20, U. of Omaha student, was found shot to death on the university campus Dec. 9.

The U.S. Supreme Court Dec. 5 ordered a new trial of Amos Reece, Negro under death sentence for the rape of a white woman in Cobb Co., Ga. The court invalidated his indictment because Negroes were excluded from the grand jury & trial jury in his case. . . . Illinois Gov. William G. Stratton (R.) disclosed Dec. 5 that U.S. Atty. Gen. Herbert Brownell Jr. had rejected Stratton's request for a federal investigation of the Emmett Louis Till murder case in Mississippi. Brownell said no federal offense was involved. [See p. 380D2] . . . Harry L. Washburn, 39, of Houston, Tex., was found guilty of murder and sentenced to life imprisonment Dec. 10 after a televised trial in Waco, Tex. for the killing (by a dynamite bomb attached to an auto starter) of his ex-mother-in-law, Mrs. Helen Harris Weaver, 51, ranchowner of San Angelo, Tex. KWTX-TV of Waco was permitted to televise the trial (first such telecast in U.S. history) with a single camera under Judge D. W. Bartlett's ruling that the telecast would not "distract from court proceedings." [See p. 32F2]

John G. (Steve) Broady, 52, private investigator & attorney, was convicted in New York Dec. 8 on 16 counts of an indictment charging him with conspiracy and illegal use & possession of equipment & use of premises in wiretapping. His sentencing was scheduled for Jan. 13. [See p. 152D3] . . . Bascom Giles, ex-Texas Land Commissioner, was given a 6-yr. prison sentence Dec. 5 in Crystal City, Tex. on plea of guilty of accepting bribes while director of the state land program for war veterans. [See p 80B3] . . . Paul A. Pfeffer, 23, convicted of 2d-degree murder in the fatal beating Apr. 9 of Mellon Byrd, received a 20 yrs.-to-life prison sentence in New York Dec. 9. He also was sentenced Dec. 9 to prison terms of 5 to 30 yrs. on 4 counts related to the assault & robbery of Harry Myers at Rockaway Beach (N. Y. C.) May 1. [See p. 356B1]

John Gilbert Graham, 23, pleaded not guilty due to insanity when he was arraigned Dec. 9 in Denver on charges that he murdered his mother in an airliner time-bombing fatal to 43 other persons. He was sent to Colo. Psychopathic Hospital in Denver for 30 days' observation. [See p. 388F2] . . . Martin J. Yamin, 32, received a 20 yrs.-to-life prison sentence in Brooklyn Dec. 13. [See p. 388A3] . . . John B. Crooker Jr., 31, law student, was convicted Dec. 9 in Santa Monica, Calif. of the murder July 5 of Mrs. Norma McCauley, divorcee with whom he admittedly had a romance while serving as her houseboy. The verdict made the death sentence mandatory. . . . Mrs. Henrietta Siemer, 23, was granted dismissal in Brooklyn Dec. 12 of a federal charge that she had conspired with her husband, John Calvin Siemer, in embezzlement of bank funds. [See p. 340D3] . . . Mrs. Gertrude Silver, 49, was indicted Dec. 9 in Philadelphia on 4 counts charging conspiracy & abortion in connection with the death of her daughter, Doris Jean Oestreicher. [See pp. 348D3, 316F2]

Accidents. 8 USAF men were killed when a military transport plane crashed & burned Dec. 11 in the Riff Mts., Spanish Morocco. 7 crewmen were lost when a U.S. Navy P-2-V Neptune patrol bomber crashed into the Pacific off Kauai Island (Hawaiian area) Dec. 7. 3 survivors were rescued by a submarine. [See p. 404D-E3] . . . Death toll of the Dec. 7 gas explosion in a Frankfort-on-the-Main apartment house rose to 27 Dec. 9. [See p. 404C3]

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Mrs. Ethel Park Richardson, 72, of Los Angeles won the $100,000 top prize (value est. at $28,000 after taxes) on NBC-TV's *The Big Surprise* Dec. 10. She answered a series of questions about American folklore during appearances on 6 weekly programs. [See p. 404F3]

Birthdays: Finnish composer Jan Sibelius was 90 Dec. 8. [See Vol. XIV, p. 420B3] . . . Henry Nicholas Ridley, ex-dir. of the Singapore Botanic Gardens who devised the technique for tapping latex without injuring rubber trees (as a civil servant he received no profit from the discovery), observed his 100th in London Dec. 10.

Married: Actor Jerome Courtland & socialite Janet Rose Gumprecht; Dec. 9 in Newark, N. J. (his 2d).

Divorced: Actress Rita Hayworth, 36, from singer Dick Haymes, 37, her 4th husband, Dec. 12 in Reno, Nev. (mental cruelty). [See p. 292D3]

TV singer Dorothy McGuire (of The McGuire Sisters) was sued for divorce Aug. 16 in Bunnell, Fla. by AF Sgt. John Henry Brown and filed a counterclaim Aug. 30, it was disclosed Dec. 13.